A Long-Term Care Plan for North Carolina: Final Report

Presentation by: Lynda McDaniel

Assistant Secretary for Long Term Care

2002

Legislative Charge

- Develop a system that provides a continuum of long-term care for elderly and disabled individuals and their families.
  Sec. 11.7A(a) of 1999-237 as amended by Sec. 11b of the Session Law 2000-67.
- Secretary of DHHS asked NC Institute of Medicine to convene a task force to address this mandate
- Co-Chairs:
  - Robert Ingram (GlaxoSmithKline)
  - Secretary David Bruton (NC DHHS)
- Almost 50 members, comprised of representatives of legislature, state agencies, local agencies, consumers, providers, business and public leaders, academicians

North Carolina's Long-Term Care Policy

- The state's LTC policy should be to:
  - Support older adults and people with disabilities and their families in *making their own choices* with regard to living arrangements that will result in appropriate, high-quality, cost-effective care provided in the least restrictive setting.
  - *Strengthen the capacity of families* to serve as caregivers
  - *Ensure access to certain core long-term care services* throughout the state
  - Make the system *accessible and understandable* for both public and private pay consumers

Task Force Identified 10 Major Challenges Facing the State

1. The system is fragmented at both the state and local level
2. Consumers often subjected to multiple assessments across agencies
3. Availability of core LTC services varies widely across the state
4. North Carolina is in the midst of a severe workforce shortage
5. Little consensus about how to measure or define quality

Task Force Identified 10 Major Challenges Facing the State

6. Past efforts to ensure quality have focused on the few "bad" facilities rather than raise the level of quality among all facilities.
7. Medicaid—the primary public payor of LTC services—has a significant institutional bias.
8. More information is needed to educate the public about public and private LTC financing options.
9. Some local communities will need assistance in developing the necessary LTC infrastructure.
10. The state lacks data to make informed LTC policies.

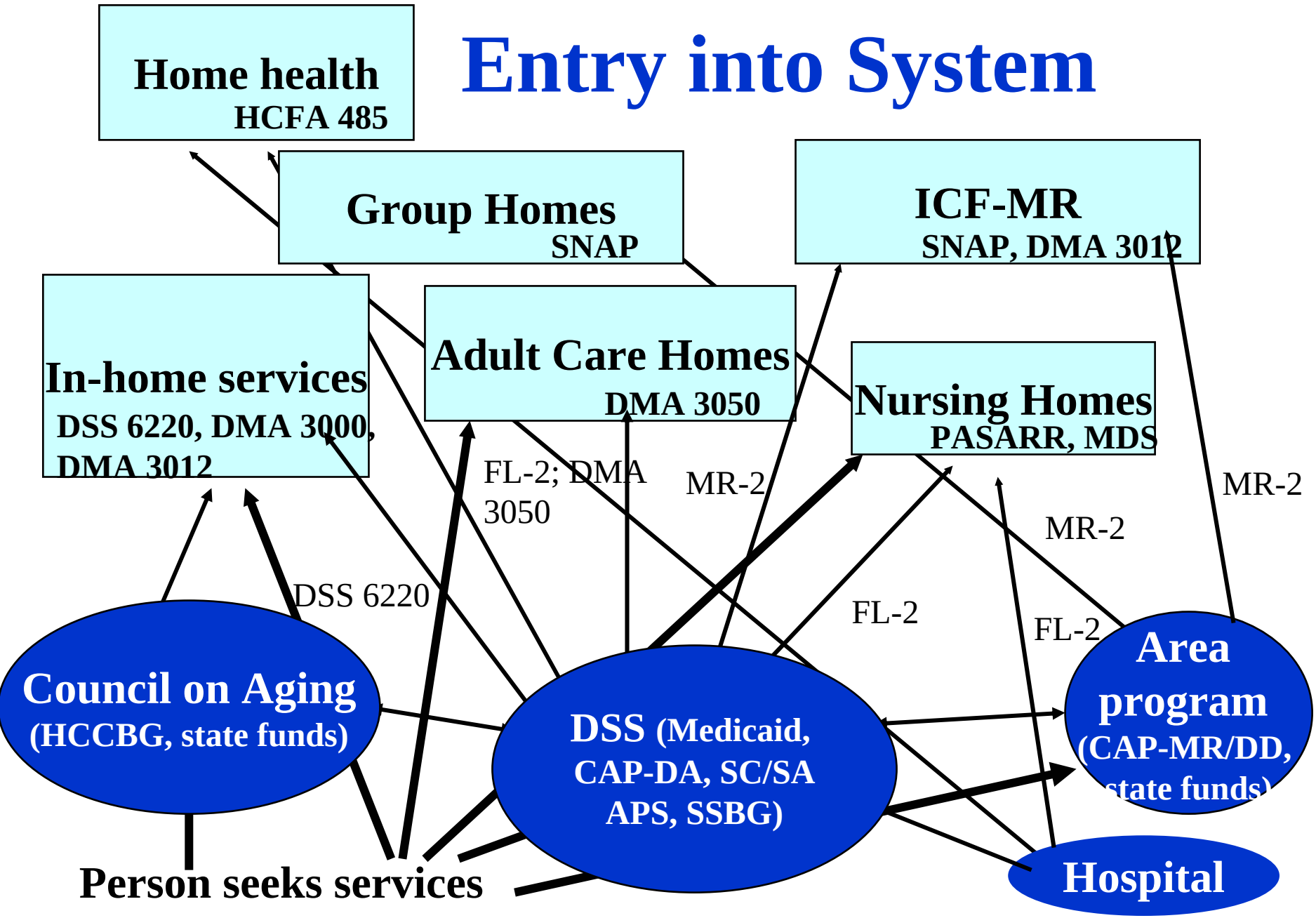
Infrastructure: State Level

- *Problem:* Multiple divisions at the state level that deliver, finance, or regulate LTC services
  - DOA, DFS, DIRM, DMA, DMHDDSAS, DPH, DSS, Voc. Rehab.
- *Solution:* Create—
  - LTC Cabinet with DHHS
  - Office of LTC
  - LTC Forum

Infrastructure: County Level

- *Problem:* Multiple agencies at local level that deliver, finance, or regulate LTC. In most counties, there is not a coordinated LTC planning process.
- *Solution:* Encourage county commissioners to designate a lead agency to organize a local LTC planning process at the county or regional level.
  - Local planning efforts should be supported by state with county data packages and technical assistance.
  - State should provide counties with one-time transition support to enable counties to implement Task Force recommendations and build capacity.

Entry into System



Fragmented System: Local Level/Multiple Assessments

- *Problem:* Fragmented system at local level for consumers
  - Difficult to know where to find assistance
  - Consumers often subjected to multiple assessments
  - There is little or no sharing of data across agencies
  - Makes it difficult to coordinate care, monitor quality of care, or plan for LTC services

Fragmented System: Local Level/Multiple Assessments

- *Solution:* Create *uniform portal of entry* that would ensure that multiple agencies use same screening and assessment tools and have information about all the available LTC resources in their communities.
  - Common telephone screening tool with access to computerized information and assistance information
  - Common level of services instrument to help individuals understand range of appropriate LTC services and to determine eligibility for publicly financed LTC services
  - Common care planning instruments

Availability of Core Services Varies Widely

- *Problem:* In some communities, key LTC services may not be available
  - Rate of licensed nursing home beds per 1,000 older adults ranged from 25.4 in Brunswick Co. to 89.1 in Hyde Co. (state average = 42.2/1,000);
  - Greater variation in CAP/DA--utilization of CAP/DA services ranged from 8.39 individuals per 1,000 Medicaid aged and disabled in Johnston Co. to 200 per 1,000 in Avery Co. (state average = 36.0/1,000).

Availability of Core Services Varies Widely

- *Solution*: The Task Force recommended—
  - Certain "core" LTC services should be available regardless of where people live.
  - Requires better data to determine *need* for LTC services
  - Requires coordinated comprehensive county-level planning efforts.

Core LTC Services

Every North Carolinian should have access, either in the county or in reasonable distance from the county, to the following LTC services:

- Nursing home
- Adult care home (various types)
- Home health care
- In-home aide services
- Care management for high-risk clients
- Nursing services
- Transportation
- Durable medical equipment and supplies
- Adult day/day health care or attendant care (including respite care)
- Home delivered meals
- Housing and home repair and modification
- Long-term care information and referral (I&R) services
- Medical Alert or related services

In addition, LTC consumers need additional medical, mental health, and dental services to meet their needs. People with functional or cognitive impairments may also need protective services and guardianship.

Workforce Supply

- *Problem:* NC is in the midst of a LTC workforce crisis.
  - Problem particularly acute for direct service workers (such as nurse aides) who help individuals with their most basic needs
    - 100% annual turnover rate among nurse aides in nursing homes (1999)
    - 140% annual turnover rate among nurse aides in adult care homes (1999)
  - Efforts to ensure availability and quality of LTC services will fail absent a supply of trained professional and paraprofessional staff.

Workforce Supply

- *Solution*: One of the Task Force's top priorities—
  - General Assembly should enact a "labor enhancement" to increase the wages, benefits, and/or pay shift differentials for staff that provide direct care.
  - General Assembly should appropriate funds to develop a continuing education and paraprofessional development initiative, as well as a career ladder for LTC paraprofessionals.

Quality Improvement

- *Problem*: It is not easy to reach a consensus about what constitutes "quality" in a long-term care setting.
  - There are often trade-offs—for example, between the goal of prolonging life vs. controlling pain; or freedom of movement vs. safety.
  - Each individual may have a different concept of "quality"
- *Problem*: In the past, efforts at ensuring quality have been focused on correcting deficiencies among the few "bad" facilities or agencies—rather than trying to raise the level of quality among all facilities.

Quality Improvement

- *Solutions*: More work is needed to define quality among the different stakeholders, and to incorporate measures of individual consumer satisfaction with care.
- The Department should explore methods to improve and reward quality that includes Quality Improvement initiatives and technical assistance to LTC providers.

Financing—Removing Institutional Bias

Many families will need some type of assistance paying for long-term care services.

- *Problem*: Medicaid, the major financing source for LTC services, has a significant institutional bias.
  - It is easier for individuals to qualify for financial assistance if they enter an institution than if they remain at home.
  - Other sources of public funding focus on home and community based services, but this funding is more limited.

Medicaid Income Limits Create Institutional Bias

	Countable Monthly Medicaid Income Limits (2000)
Nursing home	$2,289 (skilled nursing) $1,608 (intermediate care)
ICF-MR	$5,480
SCSA: adult care homes	$1,098
Eligibility limits for people living at home	$ 696
Eligibility limits if income exceeds $696 (Medically Needy Income Limits "MNIL")	$ 242

Financing—Removing Institutional Bias

Solution: Raise Medicaid medically needy income limits (MNIL).

Example: Assume elderly person with $742 in countable monthly income. Exceeds current income limits for people living at home of $696:

Current Income Limits:	*Proposed Income Limits:*
$742 - countable income	$742 – countable income
-242 – current MNIL	- 696 - proposed MNIL
$500 – monthly “spend-down”	$ 46 – monthly “spend-down”
x 6 - six month budget period	x 6 - six month budget period
$3,000 – 6 month “spend-down”	$276 – 6 month “spend-down”

Financing—Removing Institutional Bias

- *Solution*: The state should also expand the number of people served by the CAP/DA and CAP-MR/DD Medicaid programs.
  - These programs enable individuals who would otherwise need to live in an institution remain at home.

Private Financing Options

- *Problem*: The state can not afford to finance long-term care services for all in need.
  - Private LTC insurance may be an appropriate financing option for some individuals; but may be unaffordable for older adults. Private LTC insurance provides individuals with greater choice of LTC providers
  - North Carolina ranks 21st in LTC insurance policies sold.

Private Financing Options

- *Solution*: The state should launch an outreach effort targeted at "baby-boomers," to explain different long-term care financing and payment options.
  - The outreach effort should include information on what Medicare covers, what Medicaid covers, what individuals must pay on their own, and what private long-term care insurance can cover.

County-Level Initiatives

Local communities and regional coalitions have been leaders in the effort to reform the LTC delivery system.

- Local communities acted in the absence of state leadership on LTC system improvement

- *Problem:* Some county level initiatives may not conform to new state policy.
- *Solution*: One-time county "transition support" to enable counties to implement the new state-level system reform.

Data

- *Problem*: The state lacks data to determine:
  - The need for long-term care services
  - Who uses what types of services, and what triggers movement from one level of services to another
  - Statewide data about availability of services, or how long it takes for individuals to obtain needed care
- *Solution*: The state should develop a comprehensive data system to inform long-term care policies.

Conclusion

- North Carolina can no longer afford to wait to address these problems.
  - Number of older adults expected to grow from 12.8% of the state's population in 1998 to 21.4% by 2025.
  - This problem also affects younger people with disabilities.
  - In *Olmstead*, the Supreme Court concluded that inappropriate institutionalization of people with disabilities may be discrimination under the Americans with Disabilities Act (ADA).
- Many of the Task Force's recommendations can be implemented within existing resources; others will take new funds.
- *The time for action is now*.